Before the Federal Communications Commission Washington, D.C. 20554

In the Matter of)
Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers) CC Docket No. 01-338)
Implementation of the Local Competition Provisions of the Telecommunications Act of 1996) CC Docket No. 96-98)
Deployment of Wireline Services Offering Advanced Telecommunications Capability)

COMMENTS OF ALCATEL USA, INC.

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April 5, 2002

SUMMARY

In these Comments, Alcatel USA, Inc., ("Alcatel") urges the Commission to reexamine its network unbundling rules and place an added emphasis on facilities-based deployment, investment, innovation, and broadband networks. Investment since the 1999 UNE Remand Order by both CLECs and ILECs in the telecommunications and broadband infrastructure has been inadequate. The numerous benefits provided by multiple, redundant networks remains unavailable due to this lack of investment.

The Commission's rules should emphasize the building of proprietary facilities by CLECs and the enhancement of existing networks by ILECs. Specifically, the Commission's rules should exempt ILEC network elements requested by competitive carriers if they are to be used to provide services other than "telecommunications services," if the elements are located in new network builds, if the element has been part of a network overhaul in which all or individual network elements are upgraded, and any new broadband facilities deployed on the customer side of the central office, including fiber, remote terminals, and xDSL electronics.

Finally, Alcatel urges the Commission to finalize its decision on whether the internal components of a next generations digital loop carrier ("NGDLC"), specifically the line cards, are network elements and subject to the Commission's unbundling rules. These line cards are proprietary and have no individual functionality and should not be subject to these rules.

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